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OF COUNSEL  
WILLIAM G. CONLY

July 21, 2004

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Cris I Zone, Reservoir A, WEST LAKE BORGNE  
FIELD, St. Bernard and Orleans Parishes, Louisiana.

Dear Sir:

PXP GULF COAST INC. ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cris I Zone, Reservoir A, in the West Lake Borgne Field, St. Bernard and Orleans Parishes, Louisiana:

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Cris I Zone, Reservoir A.
2. To create a single drilling and production unit for the exploration for and production of gas and condensate from the Cris I Zone, Reservoir A, such unit being designated CRIS I RA SUA and being shown on the attached plat.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate a unit operator of, and unit well for, the proposed unit as may be appropriate.
5. To provide that future wells drilled to the Cris I Zone within or outside of the unit proposed herein be located in accordance with the provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify the Cris I Zone, Reservoir A, by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.
7. To define the Cris I Zone, Reservoir A, as the stratigraphic equivalent of the interval encountered between the measured depths of 7,500' and 8,375' in the Manti Operating Company--State Lease 17073 No. 5 Well (Serial No. 226242), located in Township 12 South, Range 16 East, St. Bernard Parish, Louisiana, and between the measured depths of 7,750' and 9,150' in the Oil & Gas Futures--J.

Honorable James H. Welsh  
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M. Meraux No. 1 Well (Serial No. 134936), located in Section 39, Township 12 South, Range 13 East, St. Bernard Parish, Louisiana.

8. To consider such other matters as may be pertinent.

Pertinent data concerning this application is available for inspection at the offices of Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70505. Any person wishing to inspect such data should call Mr. David Comeaux at (337) 233-9839 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

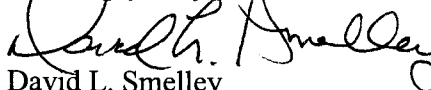
By letter dated July 2, 2004, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set July 26, 2004, as the tentative date for the pre-application conference. No request for the pre-application conference was received; accordingly, no pre-application conference was held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the unit plat attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Lafayette District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of West Lake Borgne Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,



David L. Smelley  
Attorney for PXP Gulf Coast Inc.

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DLS:dp

Enclosures

cc: Mr. Richard Hudson (w/encls.)  
Ms. Judy Eldridge (w/encls.)  
Mr. David Comeaux (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plat only)

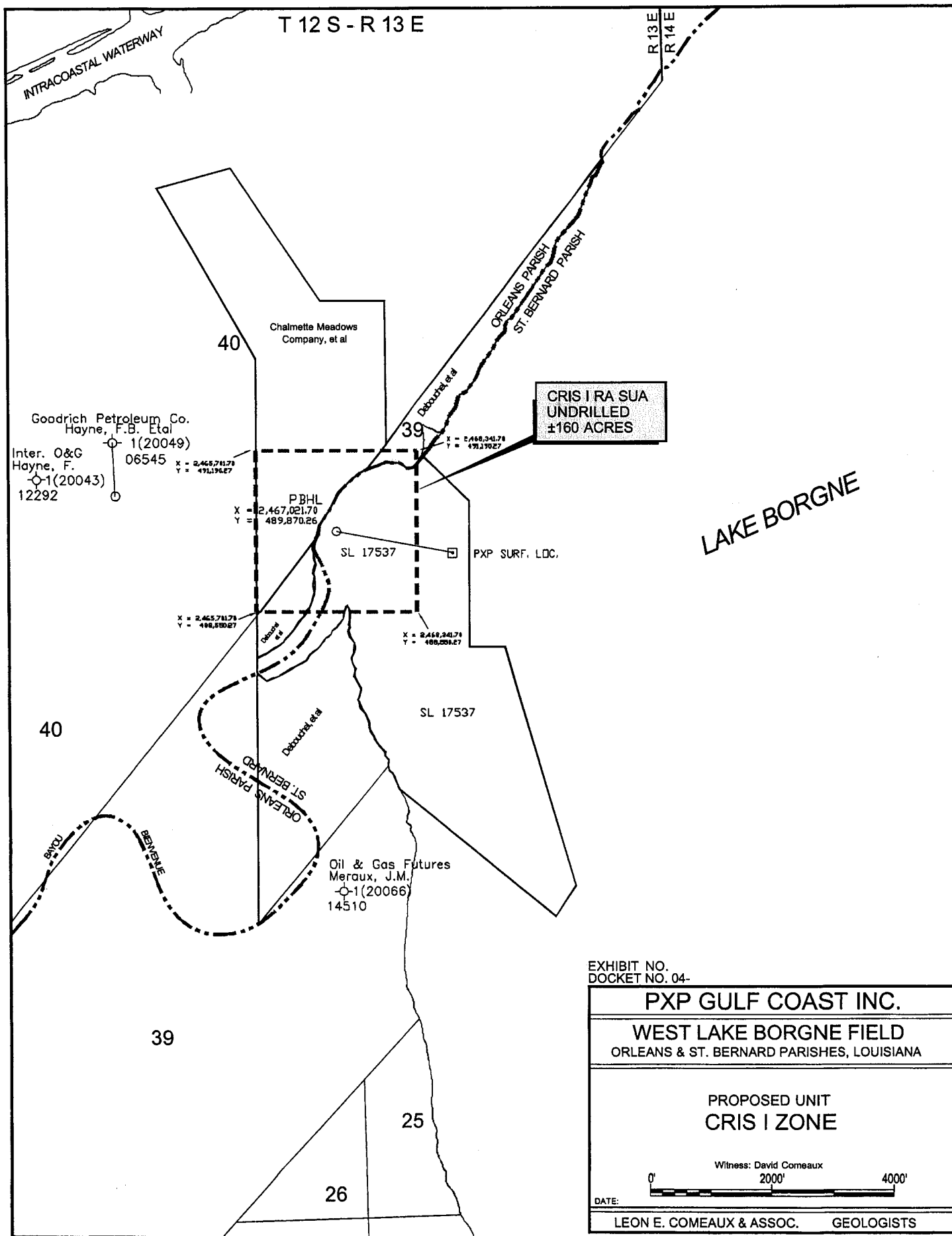


EXHIBIT NO.  
DOCKET NO. 04-

**PXP GULF COAST INC.**

**WEST LAKE BORGNE FIELD**

ORLEANS & ST. BERNARD PARISHES, LOUISIANA

PROPOSED UNIT  
**CRIS I ZONE**

Witness: David Comeaux

0' 2000' 4000'

DATE:

LEON E. COMEAUX & ASSOC.

GEOLOGISTS